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> Mr. K. David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

> > Re: Petition of Teligent, Inc. for Authorization to Issue Debt

and Equity Pursuant to T.C.A. § 65-4-109

Dear Mr. Waddell:

Enclosed please find an original and thirteen (13) copies of Teligent, Inc.'s petition in reference to the above captioned matter.

We appreciate your assistance in this matter.

Warren L. Goock

Sincerelý.

WLG:dt Enclosures

cc: Carolyn K. Stup, Esq.

BEFORE THE TENNESSEE REGULATORY AUTHORITY ATTEMP AUTH. NASHVILLE, TENNESSEE '33 JUN 11 AM 11 53

In the Matter of:

Petition of Teligent, Inc.

for Authorization to Issue Debt and

Equity Pursuant to Tennessee Code

Annotated § 65-4-109

Docket No.: 99-00-12)

PETITION OF TELIGENT, INC. FOR AUTHORIZATION TO ISSUE DEBT AND EQUITY PURSUANT TO TENNESSEE CODE ANNOTATED § 65-4-109

Pursuant to Section 65-4-109 of Tennessee Code Annotated, Teligent, Inc. (hereinafter "Teligent"), through its undersigned attorneys, hereby respectfully requests authority from the Tennessee Regulatory Authority ("Authority") to issue long-term debt and additional equity in an amount not to exceed Two Billion Dollars.

In support of this verified Petition, Teligent submits the following information:

I. The Petitioner

Teligent is a Delaware corporation duly organized and existing under the laws of Delaware. In addition, Teligent is qualified to transact business in the State of Tennessee. Teligent's principal offices are located at 8065 Leesburg Pike, Suite 400, Vienna, Virginia 22182. Teligent received a Certificate of Public Convenience and Necessity (docket number 98-00210) from the Tennessee Regulatory Authority on October 20, 1998, to operate in Tennessee as a facilities-based provider of local exchange and resold interexchange telecommunications services.

II. <u>Description of Petition</u>

Teligent has Federal Communications Commission ("FCC") authority to construct and operate digital microwave facilities. Teligent will use these facilities in conjunction with the resold or leased services and facilities of other authorized carriers in Tennessee, to provide facilities-based switched and dedicated high-speed, interstate common carrier and enhanced telecommunications services, as well as intrastate local and long distance services to customers. Teligent expects to initiate services in Tennessee during the second half of 1999.

In addition to its FCC licenses to provide facilities-based service in Tennessee, Teligent has licenses in a total of 74 of the top United States markets, covering 39 states and the District of Columbia. Teligent is certified in all of these jurisdictions to operate local and long distance networks to provide telecommunications services. Indeed, Teligent has already constructed many of its communications networks and is currently serving customers in 26 of the nation's top markets, including New York, Chicago, Los Angeles, Houston, Philadelphia, Dallas-Fort Worth, San Diego, San Antonio, San Jose, San Francisco-Oakland, Baltimore, Jacksonville, Milwaukee, Washington, D.C., Boston, Austin, Denver, Atlanta, Miami-Fort Lauderdale, Orlando, Tampa, Richmond, West Palm Beach, Wilmington, Delaware, New Orleans and Sacramento. Teligent has announced plans to provide service in a total of 40 markets by year end 1999. A copy of Teligent's 1998 Annual Report, which provides additional information about Teligent's operations, is attached.

III. <u>Designated Contacts</u>

The designated contacts for questions concerning this Petition are as follows:

Warren L. Gooch, Esq. Kramer, Rayson, Leake, Rodgers & Morgan First Tennessee Plaza, Suite 2500 P. O. Box 629 Knoxville, TN 37901-0629

Copies of any correspondence should also be sent to the following designated representative of Teligent:

Terri Natoli, Esq. Teligent, Inc. 8065 Leesburg Pike, Suite 400 Vienna, Virginia 22182

IV. <u>Proposed Transactions</u>

Teligent is filing this Petition to obtain the Authority's approval for the issuance of debt and equity to take advantage of existing favorable financial market conditions. As the Authority is aware, financial market conditions fluctuate constantly and a company's window of opportunity to secure additional capital at acceptable rates, terms and conditions may only last a short period of time. For that reason, Teligent wishes to obtain all necessary regulatory approvals to position itself to be able to quickly react to attractive market financing opportunities.

Teligent expects that any additional debt it may raise will be structured as long-term, unsecured debt. However, depending on the particular market conditions existing at the time of its issuance, the debt may be structured either as short-term debt, secured debt, or debt convertible into equity.

Teligent also expects that it will issue additional equity through a public offering and/or a private placement. This additional equity may be in the form of common or preferred stock or an "equity-linked" security that is convertible into common or preferred stock. The issuance of additional equity, however, will not result in any substantial change in ownership or control. As such, the authority to raise the additional equity sought in this petition is limited to additional equity up to the point at which a transfer of control would occur.

The proceeds from these transactions would be used to allow Teligent to expand its current markets; construct and operate networks and facilities in new markets; to improve and enhance Teligent's service capabilities to benefit all of its existing and prospective customers, and for other general corporate purposes.

The requested authorization will significantly strengthen Teligent's ability to compete in the telecommunications market by giving Teligent access to greater financial resources. These resources will enable Teligent to more rapidly introduce innovative products and services and to better respond to the competitive telecommunications environment. The proposed transactions would not result in any changes to Teligent's rates or services.

WHEREFORE, Teligent respectfully requests that the Authority approve Teligent's petition to issue debt and equity in an amount not to exceed Two Billion Dollars.

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Warren L. Gooch

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<u>OATH</u>

STATE OF VIRGINIA)
COUNTY OF FAIRFAX)
Personally appeared before the undersigned, an officer fully authorized to administer oaths, Carolyn K. Stup, who first being duly sworn, deposes and says that she is Assistant Secretary for the applicant, Teligent, Inc., in this application, that she has read the same and knows the contents thereof, and that the statements made herein are true to the best of her knowledge and belief.
Carolyn K. Stup
Subscribed and sworn before me, this 9th day of June, 1999.
Notary Public My commission expires: May 31, 7007